

Estimated Hearing Date: June 6, 2018 at 9:30 a.m. (AST)
Objection Deadline: May 9, 2018 at 4:00 p.m. (AST)

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, et al.,

Debtors.

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**NOTICE OF PENSION TRUSTEE ADVISORS, INC.'S SECOND
INTERIM APPLICATION FOR ALLOWANCE OF COMPENSATION
FOR SERVICES RENDERED AS PENSION CONSULTANT TO FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD, AS REPRESENTATIVE
OF THE DEBTORS, FROM OCTOBER 1, 2017-JANUARY 31, 2018**

PLEASE TAKE NOTICE that a hearing will be held before the Honorable Laura Taylor Swain in Room 3 of the United States District Court for the District of Puerto Rico, Federal Building, Office 150, 150 Carlos Chardón Street, San Juan, Puerto Rico 00918-1767, on June 6, 2018 at 9:30 a.m. (AST), or as soon thereafter as counsel may be heard, or at an earlier date as ordered by the Court, to consider Pension Trustee Advisors, Inc.'s second interim application for allowance of compensation for services rendered from October 1, 2017 through January 31, 2018 in the amount of \$11,020.50, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1.

PLEASE TAKE FURTHER NOTICE that objections to the application, if any, must be in writing, and filed with the Court and served on applicant's undersigned counsel so as to be received prior to May 9, 2018 at 4:00 p.m. (AST).

Dated: March 16, 2018

Respectfully submitted,

/s/ William Fornia

William Fornia

Pension Trustee Advisors, Inc.

*Pension Consultant to Financial Oversight
and Management Board*

By: /s/ Jeffrey Chubak

Jeffrey Chubak

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Attorneys for Pension Trustee Advisors, Inc.

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:	PROMESA
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,	Title III
as representative of	No. 17-bk-3283-LTS
THE COMMONWEALTH OF PUERTO RICO, et al.,	(Jointly Administered)
Debtors.	

SUMMARY SHEET

PENSION TRUSTEE ADVISORS, INC.'S SECOND INTERIM APPLICATION FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AS PENSION CONSULTANT TO FINANCIAL OVERSIGHT AND MANAGEMENT BOARD, AS REPRESENTATIVE OF THE DEBTORS, FROM OCTOBER 1, 2017-JANUARY 31, 2018

Applicant:	Pension Trustee Advisors, Inc.
Authorized to provide services to:	Financial Oversight and Management Board, as Representative of the Debtors, pursuant to PROMESA section 315(b)
Effective date of retention:	July 29, 2017
Compensation period:	October 1, 2017-January 31, 2018
Compensation sought:	\$11,020.50
Expense reimbursement sought:	\$0
Total sought:	\$11,020.50
Compensation sought herein that has already been paid under Interim Compensation Order	\$0
Expenses sought herein that have already been paid under Interim Compensation Order	\$0

This is a: monthly X interim final application

SUMMARY OF TIME BILLED DURING COMPENSATION PERIOD

Name	Title	Hours Billed	Hourly Rate	Total Fees
William Fornia	President	23.7	\$465	\$11,020.50

**UNITED STATES DISTRICT COURT
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In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, et al.,

Debtors.¹

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**PENSION TRUSTEE ADVISORS, INC.’S SECOND INTERIM
APPLICATION FOR ALLOWANCE OF COMPENSATION FOR
SERVICES RENDERED AS PENSION CONSULTANT TO FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD, AS REPRESENTATIVE
OF THE DEBTORS, FROM OCTOBER 1, 2017-JANUARY 31, 2018**

Pension Trustee Advisors, Inc. (“PTA”), a pension consultant to the Financial Oversight and Management Board for Puerto Rico (“Oversight Board”), as representative of the Debtors pursuant to PROMESA section 315(b), submits its second interim application for allowance of compensation for services rendered from October 1, 2017 through January 31, 2018 (“Compensation Period”) in the amount of \$11,020.50, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1, and respectfully states:

¹ The Debtors in these Title III Cases, along with the last four digits of their respective Federal Tax ID numbers, are: (i) Commonwealth of Puerto Rico (“Commonwealth”) (3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (3747).

JURISDICTION

1. This Court has subject matter jurisdiction to consider this application, pursuant to PROMESA section 306(a). Venue is proper in this district, pursuant to PROMESA section 307(a).

BACKGROUND

2. The Commonwealth commenced its Title III case on May 3, 2017; COFINA commenced its Title III case on May 5, 2017; HTA and ERS commenced their Title III cases on May 21, 2017; and PREPA commenced its Title III case on July 2, 2017. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of each Debtor in its respective Title III case.

3. The Oversight Board engaged PTA to provide pension consulting services in these Title III cases by Agreement, effective July 29, 2018, approving its employment on an hourly basis. A copy of that agreement was filed with PTA's first interim fee application [ECF No. 2754-2].

4. On February 22, 2018, PTA filed its first interim fee application, covering the period July 29, 2017 through September 30, 2017. That application was granted, with adjustments, by order, entered March 7, 2018 [ECF No. 2685].²

² On February 28, 2018, the fee examiner advised PTA that he intended to seek a \$3,022.50 reduction in compensation for nonworking travel, and \$3,496.54 reduction in expenses for hotel and airfare charges for which no receipt was submitted. PTA advised the fee examiner by e-mail, dated March 6, 2018, that it believed those proposed reductions were inappropriate because nonworking travel time was already billed at 50% in the first interim fee application, and PTA had receipts for the expenses for which reduction was sought, which it then furnished. The fee examiner agreed with PTA's position, and later that date proposed that the application nevertheless be heard on March 7, 2018, and that the subject fees and expenses be "credit[ed] against deductions on the second interim fee application. Alternately, we could strike PTA from tomorrow's order and hold the entire application over to April." Given the blizzard forecast in New York for March 7, 2018, PTA requested that the hearing be put over to April, as proposed. However, PTA was not struck from the order, and the order as entered incorporated the foregoing (disputed)

5. Prior to forming PTA in 2010, its principal, William Fornia, had over thirty years of consulting and actuarial experience, primarily in the areas of retiree pension and healthcare benefits. Mr. Fornia led Aon Consulting's public sector pension actuarial consulting practice from 2006 to 2010, and before that managed the Denver Retirement Practice of Buck Consultants and opened the Denver office of Gabriel, Roeder, Smith & Co. His prior positions also include serving as corporate actuary for Boeing and consultant for numerous multinational corporations in Brazil and Argentina during his ten years at Towers Perrin.

6. Mr. Fornia is a Fellow of the Society of Actuaries, Enrolled Actuary, Member of the American Academy of Actuaries, and Fellow of the Conference of Consulting Actuaries. He currently serves on the steering committee of the Conference of Consulting Actuaries Public Plans Community, and is on the faculty of the Society of Actuaries Fellowship Admissions Course. He is a frequent speaker at organizations such as the National Association of State Retirement Administrators, the National Council on Teacher Retirement, the National Association of Public Pension Attorneys, the National Conference on Public Employee Retirement Systems, the Pension Research Council, the Conference of Consulting Actuaries, the Western Pension and Benefits Conference, the International Foundation of Employee Benefit Plans, The Conference Board, the Government Finance Officers Association, and the Brazilian Association of Pension Plans.

BASIS FOR RELIEF REQUESTED

7. PROMESA section 316(a)(1) provides that this Court "may award to a professional person employed by ... the Oversight Board (in the Oversight Board's sole

reductions. PTA reserves the right to credit the foregoing amounts against future reductions suggested by the fee examiner to which PTA consents, as the fee examiner has proposed.

discretion) ... reasonable compensation for actual, necessary services rendered by the professional, or attorney and by any paraprofessional employed by any such person.”

8. Pursuant to subdivision (c):

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (1) the time spent on such services;
- (2) the rates charged for such services;
- (3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;
- (4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and
- (6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

9. PROMESA section 317 and the First Amended Interim Compensation Order, entered November 8, 2017 [ECF No. 1715] (“Interim Compensation Order”) permit professionals to apply for allowance of compensation and reimbursement of expenses on an interim basis.

10. Each factor set forth in section 316(c) supports allowance of the compensation sought herein on an interim basis.

(a) Time spent on services rendered. During the Compensation Period, PTA expended 23.7 hours in connection with services rendered advising the Oversight Board.

Specific services rendered include pension bridge review, analysis of data room documents, and communications with representatives for the Official Committee of Retired Employees and American Federation of State, County and Municipal Employees. Time detail for the Compensation Period is annexed hereto as Exhibit 1.

(b) Rates charged. As set forth in the Fornia Certification (defined below), the rates charged for services rendered herein are at or below those charged to PTA's other clients.

(c) Whether Services were necessary or beneficial. The services rendered were necessary to the administration of these Title III cases, and beneficial when rendered. The Oversight Board hired PTA for the express purpose of providing these services and has approved this application.

(d) Timeliness of services rendered. The services rendered were performed within a reasonable amount of time, given their complexity and importance to these Title III cases.

(e) Professional certifications; Restructuring Experience. As noted above, Mr. Fornia is a Fellow of the Society of Actuaries, Enrolled Actuary, Member of the American Academy of Actuaries, and Fellow of the Conference of Consulting Actuaries. He has significant restructuring experience, having provided advisory services similar to those for which PTA was engaged herein in Detroit's and Stockton's chapter 9 bankruptcy cases.

11. PTA does not seek reimbursement for expenses incurred during the Compensation Period.

12. The certification required by Local Rule 2016-1(a)(4) and Rule 2016 is annexed hereto as Exhibit 2 ("Fornia Certification").

NOTICE

13. Notice hereof has been served upon the following:

Fee Examiner

bwilliam@gklaw.com
kstadler@gklaw.com
adalton@gklaw.com

Official Committee of Unsecured Creditors

lucdespins@paulhastings.com
andrewtenzer@paulhastings.com
michaelcomerford@paulhastings.com
alexbongartz@paulhastings.com

Financial Oversight and Management Board

arthur.gonzalez@nyu.edu

Fiscal Agency and Financial Advisory Authority

jrapisardi@omm.com
suhland@omm.com
dperez@omm.com

Official Committee of Retired Employees

rgordon@jenner.com
rlevin@jenner.com
csteige@jenner.com
mroot@jenner.com

Office of the United States Trustee

guy.gebhardt@usdoj.gov

WHEREFORE, PTA requests an order allowing interim compensation for professional services rendered during the Compensation Period in the amount of \$11,020.50, directing payment of the foregoing amounts, less that portion already paid under the Interim Compensation Order, and granting such other and further relief as this Court deems just and proper.

Dated: March 16, 2018

Respectfully submitted,

/s/ William Fornia

William Fornia
Pension Trustee Advisors, Inc.

*Pension Consultant to Financial Oversight
and Management Board*

By: /s/ Jeffrey Chubak

Jeffrey Chubak
STORCH AMINI PC
140 East 45th Street, 25th Floor
New York, New York 10017
(212) 490-4100
jchubak@storcharmini.com

Attorneys for Pension Trustee Advisors, Inc.

EXHIBIT 1

Time Detail

EXHIBIT 2

Certification of William Fornia

**UNITED STATES DISTRICT COURT
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PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

CERTIFICATION OF WILLIAM FORNIA

I, William Fornia, hereby certify:

1. I am the principal of Pension Trustee Advisors, Inc. (“PTA”), a pension consultant to the Financial Oversight and Management Board for Puerto Rico, as representative of the Debtors in these Title III cases, and submit this certification in support of PTA’s second interim fee application, covering the compensation period October 1, 2017 through January 31, 2018.

2. Pursuant to Local Rule 2016-1, I certify that:

- (a) I have read the application;
- (b) to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought therein conform with the Bankruptcy

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Code, the Federal Rules of Bankruptcy Procedure, the United States Trustee Guidelines, and the Local Rules; and

(c) the compensation and disbursements sought are billed at or below the rates and in accordance with practices customarily employed by me and generally accepted by my clients.

3. Pursuant to Rule 2016(a), no agreement or understanding exists between PTA and any other person for sharing compensation to be received in connection with this engagement, except as authorized by the Bankruptcy Code or Rules.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on March 16, 2018.

/s/ William Fornia